

105TH CONGRESS
1ST SESSION

H. R. 2559

To amend title XVIII of the Social Security Act to limit the ability of hospitals to treat noncontiguous facilities as hospital outpatient departments.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 25, 1997

Mr. STARK introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to limit the ability of hospitals to treat noncontiguous facilities as hospital outpatient departments.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Hospital Outpatient
5 Department Truth-in-Advertising Act of 1997”.

1 **SEC. 2. LIMITATION ON PAYMENT FOR HOSPITAL OUT-**
2 **PATIENT DEPARTMENT SERVICES FUR-**
3 **NISHED IN NONCONTIGUOUS FACILITIES.**

4 (a) IN GENERAL.—Section 1862(a) of the Social Se-
5 curity Act (42 U.S.C. 1395y(a)), as amended by sections
6 4319(b), 4432(b), 4507(a)(2)(B), 4541(b), and
7 4603(c)(2)(C) of the Balanced Budget Act of 1997 (Pub-
8 lic Law 105–33), is amended—

9 (1) by striking “or” at the end of paragraph
10 (20),

11 (2) by striking the period at the end of para-
12 graph (21) and inserting “; or”, and

13 (3) by inserting after paragraph (21) the fol-
14 lowing new paragraph:

15 “(22) where such expenses are for hospital out-
16 patient services of a hospital furnished in a facility
17 unless the facility is located—

18 “(A) in the same building in which inpa-
19 tient hospital services are provided by the hos-
20 pital;

21 “(B) in a building that is located on land
22 contiguous (as defined by the Secretary) to a
23 building described in subparagraph (A);

24 “(C) in a building that was used for the
25 furnishing of hospital outpatient services by the
26 hospital as of September 25, 1997; or

1 “(D) in a building of an entity that, as of
2 such date, had entered into a binding contract
3 with the hospital under which the hospital will
4 provide services in such building.”.

5 (b) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to services furnished on or after
7 January 1, 1998.

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